



OFFICE OF
INSURANCE COMMISSIONER

6250 03/24/06

\$5,100.00 ✓

In the Matter of:

AMERICAN GENERAL
INDEMNITY COMPANY

An Authorized Insurer.

No. D06-147

CONSENT ORDER
IMPOSING A FINE

Findings of Fact:

1. American General Indemnity Company ("American General Indemnity") is a foreign insurer authorized to conduct insurance business in Washington State. It issues property, casualty, marine transportation and vehicle insurance.
2. On February 28, 2005, American General Indemnity made an electronic filing to the Office of the Insurance Commissioner ("OIC"). The filing contained a Supplemental Compensation Exhibit ("SCE") but did not contain the annual statement or any other required documents. An SCE is not a required document for a foreign insurer. The OIC Annual Statement Processing System automatically sent an email to American General Indemnity at 1:02 PM the same day, listing in the accepted documents section only the SCE.
3. On April 20, 2005, American General successfully submitted the required filings, 50 days late.
4. RCW 48.05.250 requires that insurers submit an annual statement of the preceding year to the OIC before the first day of March of the following year. The statute permits the Commissioner to revoke or suspend the insurer's certificate of authority for failure to so submit.
5. RCW 48.05.185 permits the Commissioner to levy a fine in addition to or in lieu of revocation or suspension of an insurer's certificate of authority.
6. American General Indemnity failed to timely file its 2004 annual statement with the OIC.

Conclusion of Law:

American General Indemnity's failure to timely file its 2004 annual statement with the OIC constitutes a violation of RCW 48.05.250.

Consent to Order:

American General Indemnity consents to the following, in order to resolve this matter without further administrative or judicial proceedings and the Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. American General Indemnity consents to entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with the applicable laws of the State of Washington, and waive further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner related to the subject matter of this order.
2. Within thirty days of entry of this Order, American General Indemnity will pay to the OIC a fine in the amount of \$5,100 (five thousand one hundred dollars).
3. If the fine is not timely paid in full, this will constitute grounds for the suspension or revocation of the certificate of authority held by American General Indemnity in the State of Washington. It will also result in a civil action being filed by the Attorney General on behalf of the Insurance Commissioner, to recover the amount of the fine.

Executed this 22 day of March, 2006.

AMERICAN GENERAL INDEMNITY COMPANY

By: Lizbeth C. Aaron-DiGiovanni

Printed Name: Lizbeth C. Aaron-DiGiovanni

Printed Corporate Title: Assistant Secretary

Order:

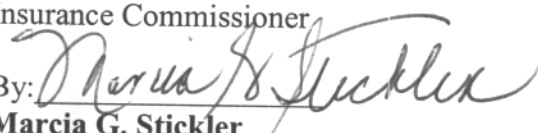
Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

1. American General Indemnity Company is ordered to pay, within thirty days of the entry of this Order, a fine in the amount of \$5,100 (five thousand one hundred dollars).
2. Failure to timely pay the fine shall constitute grounds for suspension or revocation of the certificate of authority held by American General Indemnity Company in

Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to collect the fine.

Executed this 21st day of March, 2006

MIKE KREIDLER
Insurance Commissioner

By: 
Marcia G. Stickler
Legal Affairs Division